



STATE OF CALIFORNIA

FRANCHISE TAX BOARD

P.O. Box 1468
Sacramento, CA 95812-1468

KATHLEEN CONNELL
Chair

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TO: Prospective Electronic Data Exchange Partner

FROM: Franchise Tax Board

We are embarking upon an exciting program! Our goal is to reduce the burden of processing wage garnishments. Since you process a high volume of wage garnishments, participation in this program should save you money.

The **Wage Garnishment Pilot** program will use electronic exchange to reduce the burden of processing FTB's wage garnishments. We are sending this letter to provide you with a high level overview of the program and to find out if you would like to participate.

Background

FTB's role in state government is to collect income taxes effectively and efficiently. Over the past several years the Legislature has also assigned the collection of many non-tax debt types to us. In addition to our collection expertise, we have proven successful in integrating technology into our systems to improve operations. We would like to extend the benefits of that technology to you.

Administrative levies (sometimes referred to as wage garnishments) are a valuable tool in the pursuit of unpaid taxes and other delinquent debts. By issuing levies, we can collect funds to satisfy debts that otherwise may never be paid. We issue levies against earnings from employers, miscellaneous income, and bank accounts.

Due to the legislatively mandated expansion of our collection responsibilities, we now issue a large number of levies against wages. Electronic exchange of levies is intended to reduce the burden of responding to these orders as well as increase our effectiveness and efficiency.

Program Benefits

For employers, the benefits of electronically processing wage garnishments are numerous. Among them are personnel savings, increased accuracy, fewer follow-ups and simplified workload management.

Program Overview

The **Wage Garnishment Pilot** program will use national-standard data formats to exchange electronic wage garnishments for personal income tax, child support and, in the future, other non-tax debts as well.

The Franchise Tax Board is committed to implementing technology, not for the sake of technology, but rather to provide the maximum benefits possible to our business partners. Please take a few minutes to complete the enclosed survey and return it to me. Your input is necessary to the success of this program. Feel free to contact me with questions or comments. My telephone number is (916) 845-6670; FAX # (916) 845-0522; Email address: laurie_rhea@ftb.ca.gov.

Sincerely,

Laurie Rhea, EC/EDI Specialist
Planning, Administration & Development Bureau

Enclosure

Survey

In order to ensure that our mutual participation in this program is successful, we would like to determine your readiness for electronic processing. Please take a few minutes to answer the following questions and return this page to us. The questions ask for specific information regarding your company's ability to exchange data in standard formats. We'd also appreciate your input on how we might structure the program to be of maximum benefit to you.

NOTE: When completing this form on line, you must <Tab> at the end of each field or line of data.

Company Name: _____

Information about the individual completing this survey:

Name: _____ **Title:** _____

Phone & Fax numbers: _____

E-mail Address: _____

1. Is your company familiar with ANSI X12 Electronic Data Interchange (EDI) standard data formats?
_____Yes _____No
2. Does your company currently have ANSI X12 EDI-based business processes in operation with other organizations?
_____Yes _____No
3. If yes, what type(s) of program(s)? (For example, exchanging purchase orders and invoices with vendors or suppliers) _____

4. If your company is "EDI-capable", are you capable of operating with the ANSI X12 Standards Version Release 3070 or above?
_____Yes _____No If Yes, which Version Release? _____
5. If possible, please provide the name, phone number and E-mail address for the EC/EDI Coordinator in your organization: _____

6. What suggestions would you make on how we may offer this program in order to provide maximum benefits to you? _____

When you have completed this survey, please either mail it (return address is on the next page), or FAX it to (916) 845-0522, ATTN: Laurie Rhea.

**Franchise Tax Board
Planning, Administration &
Development Bureau
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